



## The Oregonian

### All that heat in oven warms whole building

Energy - The Subway saves, too, but the closed-loop system means big savings for other tenants

Thursday, June 08, 2006

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The Oregonian

OREGON CITY -- When bread bakes in a downtown Oregon City sandwich shop, the neighbors stand to benefit.

An unusual collaboration between Subway and the developer of a two-story building at 900 Main St. reduces annual energy costs of the building's three other occupants by between 35 percent and 40 percent, said Garrin Royer, co-owner of Redside Development.

That's because the building recycles the substantial heat generated by Subway's ovens to warm the entire building, said the developer, whose offices are in the building.

The process -- called a closed-loop, water-cooled heating, ventilation and air-conditioning system -- circulates the heat to the building's three other tenants. The system also funnels the other occupants' relatively cooler air to bring down the temperature in Subway, Royer said.

Redside's redevelopment of the 90-year-old building is the first retrofitting project in the state to be awarded Energy Trust of Oregon funding incentives for using a closed-loop, water-cooled system, said Jan Schaeffer, spokeswoman for Energy Trust.

"We don't normally see a water-source heat pump like this, which uses the heat in the water to derive the heat for the space heating," she said. "Normally it's an air heat pump."

The system is also a first for Subway's 278 restaurants in Oregon and Southwest Washington, said Nicole Kelso, co-owner of the downtown Oregon City restaurant.

When Redside approached her about the idea, she was all for it, she said. "We like anything green, and this saves money," said Kelso, who also co-owns a Subway franchise on Molalla Avenue in Oregon City and two others, in West Linn and Tigard.

Her energy savings are less than those of the building's other three occupants, but she's still happy. The Main Street Subway's electrical costs were 5 percent lower than her other restaurants during the winter months, and 11 percent in August, the first full month she was open. She hopes her annual savings will be 7 to 8 percent.

"For a small business, those are big savings," she said.

Royer said the closed-loop, water-sourced system cost his company \$75,000 to install, but that it is reducing heating costs by about 50 cents a square foot -- or about \$7,500 annually.

Redside Development purchased the dingy 15,000-square-foot building, which once housed Clackamas County offices, in 2004, and remodeled it into a contemporary rust and gold office-retail complex that

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